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NOTES.

I. MUNICIPAL GOVERNMENT.

AMERICAN CITIES.

New York.—*Water Supply.*—The City Club, which has been investigating the question of New York's water supply, has recently issued a report containing the result of its investigations. Attention is called to the fact that a water shortage is imminent in the boroughs of Manhattan and the Bronx. A table is given showing the total and the *per capita* consumption of water since 1885, together with the increase, and percentage of increase, in population. The total daily consumption for 1902 is estimated at 288,000,000 gallons, giving a *per capita* consumption of 134.6 gallons. If the increase in population and in consumption *per capita* continues, the daily consumption will exceed the supply by the end of 1903.

It is further shown that a large proportion—at least 50 per cent—of the present water supply is wasted through defects in the city's distributive system and the lack of proper inspection. Expert evidence is quoted to show that from thirty to fifty gallons per day is probably all the water actually used, the remainder of the 134 gallons being wasted. In the last seventeen years, the apparent consumption of water in Manhattan and the Bronx has increased almost six times as fast as the population, while the apparent consumption by each inhabitant is more than two and a half times what it was seventeen years ago. A saving of even 25 per cent through stoppage of waste would be equivalent to an enlargement by one-fourth of the present water supply, and would avert the danger of a water famine until new sources of supply could be secured.

Evidence is submitted to prove that a large proportion of the loss is due to faulty street connections, defective interior plumbing, and the wanton waste of consumers. The example of other cities is cited to show that these causes of waste can be removed through the application of scientific methods. The remedies are declared to be: first, an adequate force of competent inspectors to ascertain and locate leaks, and a business-like city administration to compel the remedy thereof; and second, the general installation of meters throughout the distributive system. Through the saving in waste the city will soon recover the cost of the meters, and whatever popular prejudice exists against their installation can be overcome by calling public attention to the fact that the meter system places the burden of waste where it belongs—upon the wasteful consumer—instead of assessing it upon the careful and wasteful consumer alike.

Boston.—*Uniform Accounting.*¹—The Monthly Bulletin of the Statistics Department of Boston for June, 1902, contains valuable information on the subject of uniform municipal accounting. This bulletin gives a concise his-

¹ Communication of W. R. Guitteau, Toledo, Ohio.

tory of the effort of the National Municipal League to secure uniform municipal accounting, and presents seven tables showing the financial condition of Boston for the year 1900-01, prepared in accordance with the recommendation of the League's committee on uniform municipal accounting.

The scope of these tables is as follows: Table I is a consolidated financial statement of receipts and expenditures under the heads of ordinary, extraordinary trust funds and bookkeeping items. Table II is an analysis of receipts by sources of income. Table III is a summary of receipts and expenditures under the heads of ordinary, extraordinary and trust-fund items. Table IV contains an analysis of receipts and expenditures of the various departments grouped according to the functions they subserve. Table V. contains a summarized statement of receipts and expenditures pertaining to the trust-fund account. Table VI shows the temporary accounts called bookkeeping items. Table VII is a statement of ordinary receipts and expenditure arranged in alphabetical order, containing the information found in Tables III and IV under a different grouping.

Two especially important features of this scheme of municipal accounting are the diversion of receipts and expenditures into ordinary and extraordinary, and the groupings of the various departments according to the functions which they subserve. This plan of grouping departments so as to show expenditures for various public functions, has the great advantage of clearly showing the people just what service they are getting for their expenditures. By this plan, receipts and expenditures are classified under the following heads: (1) General Government; (2) Public Safety (protection of life, health, property; (3) Public Charity and Correction; (4) Public Works; (5) Public Industries; (6) Public Education; (7) Taxation; (8) Public Debt; (9) Interest; (10) Miscellaneous.

While the work of the Committee on Accounting has not yet been completed, these tables show the important results which its plan will achieve toward securing a clear and concise statement, intelligible to the taxpayers, of municipal finances.²

San Francisco.—*Municipal Election.*³—The special municipal election which will be held in San Francisco, on December 4, has more than a passing and local interest, since at that time the people are to vote upon the question of the acquisition and management by the municipality of one of the street railroad lines passing through the heart of the city. This is not to be a vote upon a mere vague and abstract principle. The city was committed to the general principle of municipal ownership of public utilities by the adoption of the explicit provisions to that effect in the new charter in 1898. The question before the voters is one of direct, specific and immediate practical importance: Shall the city acquire and operate the Geary Street Railroad, the franchise of which will expire in November, 1903? The board of supervisors of the city, acting under the advice of the city attorney as to the method of procedure, and upon the estimates of cost (\$700,000) furnished by the city

² Copies of this bulletin may be obtained, by enclosing a stamp for postage, from the Statistics Department, of Boston, Mass.

³ Communication of Prof. Kendrick Charles Babcock, Univ. of California.

engineer, voted to submit the matter to the vote of the people at a special election called mainly for that purpose. Along with this question will be submitted several minor amendments to the charter, but no officers are to be elected. So the matter of acquiring the railroad mentioned will have consideration mainly on its own merits, unencumbered by officers or personalities.

Conditions for an affirmative vote upon the proposition to acquire this particular system, and for the successful operation of it by the city if it be acquired, seem to be peculiarly unfavorable. Yet there is no prospect that the immediate future will bring any other opportunity half so favorable for the trial of municipal ownership of this kind of public utility, or any other utility in San Francisco, for that matter. Suspicion of the city government has become so chronic, that not even the honest and fairly efficient administrations of the past five or six years have established a presumption in the city's favor. The merit system is not yet strongly entrenched in successful operation. The relations of employers and laborers have been often disturbed and strained by strikes during two years past. Furthermore, the city has had no considerable experience in municipal ownership of any form of public utilities and local traditions are against such "dangerous experiments." Water, gas, electric light and transportation are all furnished by private corporations. Some of these corporations are notoriously overcapitalized, while within the last year three of the large street railroad systems have been combined under the name of the United Railways, thus practically securing monopolistic control over the major part of the city, and particularly over the lower section of Market street, the city's great main thoroughfare. The approach of the expiration of the Geary street franchise is coincident with the application of the United Railways for franchises for extensions and new lines. The imperative need of access to the ferries to improve the value of the Geary Street Railroad if it becomes city property, has prompted the board of supervisors to insist that the United Railways shall give the required access over their tracks as a consideration for the granting of their much-desired franchises. The only alternative suggested is an amendment to the charter, by which the city purposes to assume the right to grant track privileges on a street to two or more companies. The Geary Street Railroad Company will not surrender easily, and is endeavoring to secure a petition for the renewal of the franchise, signed by three-fourths of the property owners along its line. Its attorney holds that when this petition is presented to the board of supervisors, that body must put up the franchise for sale to the highest bidder. The path to the courts seems to be broad and open, and a year is a short time for settlement, in case the city votes for public ownership.

Buffalo.⁴—*Tenement House Conditions.*—On December 12, 1902, the Buffalo Charity Organization Society held its twenty-fifth annual meeting, at which the most interesting and vigorous report presented was that of its Committee on the Sanitary Conditions of the Homes of the Poor. This report showed that in 1901 Buffalo was placed under the state tenement law, which is the best and most comprehensive thus far enacted, and the enforcement of

⁴Communication of A. C. Richardson, Buffalo, N. Y.

the law was entrusted to the local health department. In April, 1902, the society caused an investigation to be made, which covered 104 tenements, including the largest, to see what results if any had been accomplished. Only three cases were found in which the law had not been violated. Many of the buildings, the report stated, were in such unsanitary or unsafe condition that they were not habitable, and "it seemed only too apparent that, instead of progress, a retrograde movement had set in."

These facts were fully reported to the Health Commissioner, who was urged to take prompt action. Later on, a conference with the representatives of the society was held, at which it was agreed that the tenement-house inspector should have the assistance of two others, that violations of the law should be prosecuted, that several flagrantly bad tenements should be condemned and vacated as provided in the law, and that fire-escapes should be required in buildings highly dangerous to the occupants. The society further offered to provide homes for any tenants that might be evicted by the Health Commissioner, and to co-operate with him in every possible way.

On the ninth of December another investigation of these same 104 tenements, arranged and paid for by the society, was completed, and it was found that every one of the evil conditions previously reported still existed, that the same glaring violations of law continued, and that no measures had been taken by the Health Department to remedy the one or to punish the other. In view of these facts it was not surprising that the committee, losing patience at the delay, reported to the society a resolution strongly condemning the apathy and neglect of duty displayed by the Health Department, and demanding immediate and energetic enforcement of the tenement house laws. This resolution was passed unanimously. Its publication in the press next day naturally stirred up considerable comment, and on the twenty-ninth of December the secretary of the society published an address to the public, in which he said, among other things, that the inspector employed by the society had inspected in eight days all of the 104 tenements previously reported on, and had also found by the records of the Health Department that more than half of them had not even been visited by the inspectors of the department, who, by the way, had had all summer in which to do the work. He then proceeded to give details of a few cases, including the action of the department thereon, when there was any. In no case, however, did this action amount to anything more than "marking time." There was no attempt whatever at an earnest, vigorous enforcement of the law.

On the fourth of January, 1903, the attorney of the society published a letter in which he formally notified the Commissioner that prostitution existed in twenty-six tenement houses specified, the evidence of which he offered to place at the Commissioner's disposal, and required him to begin the proper legal proceedings against those houses and their owners. The law provides a fine of \$1,000 for the owner of a tenement house used for this purpose, and if the owner after being notified that his premises are being so used, does not within five days bring an action to remove the tenant who has permitted it, the owner is deemed to have consented to such use and becomes liable to the fine. If the Health Department does not proceed against

the owner within ten days after such notification, any taxpayer may do so, and a fine thus levied becomes a lien on the premises, which may be enforced at once by the appointment of a receiver to sell the property for the purpose of collecting it.

Shortly after the appearance of this letter the inspector of tenement houses resigned; and within a few days thereafter a report from an architect employed by the society was published, in which it was shown that there had been utter and flagrant disregard of the law in the approval of drawings and plans for the erection of new tenements and the alteration of other buildings into tenements. The law provides that no building erected as or altered into a tenement shall be occupied in whole or in part until the issuance by the Health Department of a certificate stating that the building as constructed conforms in all respects to the requirements of the act. But in no case has such a certificate been issued by the department for any of the many buildings so constructed and occupied.

There is absolutely no excuse for these tenements in Buffalo, nor do they as yet exist to any serious extent. The evil can be prevented by the Health Department, for its powers under the law are ample, and all that is needed is vigilance and energy in the exercise of them. It is pleasing to note that the department is now doing all it possibly can to remedy the existing evils and to prevent the growth of new ones.

Cincinnati⁵.—*Financial Condition*.—The annual statement of the Sinking Fund Trustees, issued December 31, 1902, last, shows the finances of the city to be in excellent condition.

During the year 1902 the following bonds matured: \$2,000 5 per cents, \$494,000 7 per cents, and \$7,614,000 7 3-10 per cents; in addition \$644,500 4 per cents were called in. The sinking fund itself purchased \$838,000 3.50 per cent bonds, making a total of \$9,592,500. The new issues, all at 3.50 per cent, amounted to \$8,848,800, showing a net decrease in bonded indebtedness of \$744,500. The total outstanding debt is \$26,582,000, of which the sinking fund holds \$1,152,236.95, thus leaving the city's liability at \$25,429,763.05, on which there will be in 1903 an annual interest charge of \$1,200,940, a decrease in interest charge of \$323,042.

The Cincinnati Southern Railroad, which is owned by the city and which produces an annual rental of \$1,210,000, is a sufficient asset to pay nearly all of the city's bonded indebtedness. The current state, county and city tax rate is \$23.18 per \$1,000.

Providence⁶.—*Financial Condition*.—For the financial year ending September 30, 1902, there was a deficit in five departments, namely: Fire, Health, Police, Public Buildings and Schools. The last of these is a very large one of \$85,000, and has existed for a long time, being carried over from year to year. The council heroically voted to levy a special tax this year to pay these deficits, so that if the plan is carried out the tax rate will be increased.

Mayor Miller, in his inaugural address, made some comparisons between

⁵ Communication of Max B. May, Esq.

⁶ Communication of Sidney A. Sherman, Esq., Providence, R. I.

the years 1887 and 1902. The increase in population was 49 per cent and in tax valuation 48 per cent. The increase in public school attendance was 55 per cent; in public school expenditures 178 per cent. Increase in fire department expenses 174 per cent; police department, 82 per cent; public lights, 117 per cent; highways, 54 per cent. The total ordinary receipts for 1887 were \$2,345,000; for 1902, \$4,356,000, an increase of 82 per cent. The total ordinary expenditures in 1887 were \$2,247,000, and in 1902, with deficits added, \$4,331,000, an increase of 93 per cent.

The auditor's report gives the following figures of debt, sinking funds, population and valuation:

	Total Debt.	Sinking Fund.	Population.	Net Per Capita Debt.	Valuation.	Per Capita Valuation.
1885....	\$9,669,316	\$1,474,314	118,070	\$69.41	\$124,202,000	\$1,051
1890....	10,619,942	2,404,964	132,146	62.18	140,617,060	1,064
1895....	15,757,384	2,832,881	145,472	88.84	169,789,060	1,167
1900....	16,912,304	3,753,448	173,597	80.63	192,117,240	1,094
1902....	17,839,723	3,881,649	181,000	77.12	197,873,000	1,093

Of the total debt, six millions are for water works, and that, as I showed in my last communication, is a profitable enterprise. Very little of the increase in debt since 1885 is for water works however. This great debt entails a vast yearly charge for interest. Last year it was \$635,000. Interest and sinking funds together made \$1,122,703, or more than one-quarter of the ordinary yearly expenditures.

In 1885 the tax rate was \$14.50 per \$1,000; in 1902 it was \$16.00. Property is supposed to be assessed at its full value.

The comparative rates of increase in the value of personal property and real estate furnish food for thought to students of taxation. The following table tells its own story:

	Value of Real Estate.	Value of Personal Property.
1865.....	\$39,479,000	\$41,084,000
1870.....	52,511,000	40,565,000
1875.....	82,862,000	39,091,000
1880.....	88,012,000	27,908,000
1885.....	92,887,000	31,314,000
1890.....	104,684,000	35,932,000
1895.....	129,438,000	40,351,000
1900.....	149,094,000	43,022,000
1902.....	154,711,000	43,161,000

It will be seen that in thirty-seven years the value of real estate has increased about 300 per cent, while the value of personal property has increased just 5 per cent. The population has increased from 54,595 to 181,000 in the

same period. The inference drawn from these facts is that the bulk of personal property escapes taxation in this city. This is generally recognized and bitterly complained of. A very popular method of evasion among the wealthy is to live six months and one day in a little country town where either the rate is low or an understanding is made with the town's assessors—or both. A law is now being urged to tax tangible personal property where located, instead of in the town where the owner has his legal residence.

Duluth and Superior.⁷—*Gas and Water Plants.*—Duluth enjoys better than average local government, and her management of the two public utilities (water and gas), that have within recent years come under her exclusive control, has been most satisfactory and successful. Under municipal management, covering a period of less than five years, the water supply has been immeasurably improved, and the water rates have been reduced 33 1-3 per cent. Within the same period gas rates for lighting have been reduced from \$1.90 per 1,000 feet to \$1 per 1,000 feet (the present rate for all purposes), while the annual consumption, under stimulating co-operation of the department, has increased from about 25,000,000 feet to over double that amount.

Superior, Wis., Duluth's twin sister at the head of the Lakes, has not as yet evolved from the stage of private ownership. She has paid dearly for her lack of foresight in that regard, but the shining example of her sister city, on the Minnesota side of the Bay, is inciting her inhabitants to better effort.

How little private greed is tempered by sound judgment and how prone the private service corporation, in the pursuit of its own selfish ends, is to misrepresent the effect of public ownership was illustrated by a recent episode in municipal economics which will bear recital. The franchise of the private gas company in Superior is about to expire and it is seeking a long-time renewal of the same. Superior is heavily in debt, and, therefore, unfortunately not in a favorable position to enter upon the municipal control of its public utilities. Its private representative bodies are, however, wide awake, and a recent political upheaval has tended to elevate the public administration.

The manager of the Superior private gas plant consulted the management of the Duluth public gas plant on the question. He found that, with a present output of approximately the output in Duluth at the time (1898) when the private gas plant in the latter city went into the hands of the municipality, the rate (\$1.75 per thousand feet) which he proposed to offer the Superior consumers as a basis of a thirty-year franchise, was approximately the same as the rate which had been charged in Duluth under similar circumstances. He was advised to take his Superior patrons into his confidence, explain to them that, while under a consumption as at present the rate asked would not be excessive and could not well be less, a sliding scale should be established based upon the amount of gas consumed, the price with increased consumption growing rapidly less, thus taking the consumers, present and prospective, into practical partnership and inviting their co-operation.

Instead of following the sound and well-meant advice, the representatives

⁷ Communication of W. G. Joerns, Esq., Duluth, Minn.

of the Superior Gas Company submitted to the city authorities a proposition for a thirty-year franchise based upon a maximum rate of \$1.75 per thousand feet. In a published statement the manager of the Superior plant stated that the gas furnished by the Duluth plant was not paying for the cost of manufacture and distribution. However, the manager of the Duluth Water and Gas Department came to the rescue. In a public communication he went fully into the details of gas construction, consumption and price reduction since the plant became city property. He demonstrated, beyond the fear of successful contravention, that the gas plant of Duluth, under public management, has, notwithstanding the successive substantial reductions in rates, been on a paying basis since January 1, 1900. He omitted to add to that communication that, in the short term of four and one-half years of public ownership and management of the Duluth gas plant, there had been saved to the consumers in price reductions on gas alone the splendid total of \$62,000.

This convincing statement reassured the wavering Superiorites. Thereupon the Superior Gas Company submitted the following somewhat elusive "final" proposition, based on a twenty-year franchise, rates based on gas sold:

<i>Gas Used Yearly in City.</i>	<i>Prices.</i>		
50 million or less	Light....\$1.70 less .20.	Net	\$1.50
	Fuel..... 1.45 less .20.	Net	1.25
50 to 100 million	Light.... 1.60 less .20.	Net	1.40
	Fuel..... 1.35 less .20.	Net	1.15
100 to 150 million	Light.... 1.50 less .20.	Net	1.30
	Fuel..... 1.25 less .20.	Net	1.05
150 to 200 million	Light.... 1.40 less .20.	Net	1.20
	Fuel..... 1.20 less .20.	Net	1.00
200 to 250 million	Light.... 1.30 less .20.	Net	1.10
	Fuel..... 1.10* less .20.	Net	.90
Over 250 million	Light.... 1.20 less .20.	Net	1.00
	Fuel..... 1.00 less .20.	Net	.80

The Superior Joint Gas Committee, consisting of public officials and representative citizens, with the convincing record of Duluth's public management of the gas supply ever before them, rejected the private company's offer, under which they would only get a minimum rate, based upon a yearly consumption of "over two hundred and fifty million" feet, which Duluth, under public management, confidently looks forward to this coming year on a basis of a consumption of approximately only sixty-five million feet, to-wit, ninety cents per thousand feet for all purposes, and passed the following resolution:

"Resolved, That members of the Joint Committee have considered Mr. Ellison's proposition, and we are frankly opposed to granting any long extension of the gas franchise; and that it is the sense of the several committees, consisting of Commercial Club, Hundred Thousand Club and Mercantile Association, here assembled, that the franchise of the gas company should not be extended beyond three years; and that the maximum rates should not

exceed \$1.25 per 1,000 feet for heating purposes, and \$1.50 per 1,000 feet for lighting purposes, with a discount of 20 cents per 1,000 for cash.

"Resolved, That the members of the Joint Committee, consisting of committees of the Commercial Club, Hundred Thousand Club and Mercantile Association, are absolutely opposed to the extension of the gas franchise for a period of more than three years."

This resolution the Ordinance Committee of the Common Council regarded as mandatory, and formulated an ordinance in compliance therewith, which was without further ceremony adopted by the council.

The ordinance provides, as already stated, for a three-year franchise and a maximum rate of \$1.25 and \$1.50 per thousand feet for fuel and light respectively. It will be published and competitive bidding will be invited upon the same. The representative of the company says it will not listen to the proposition and that it will not bid on a franchise of that nature, and, until a new franchise is granted to it or other provision is made for supplying Superior people with gas, it will, no doubt, continue to furnish gas at the old rate.

This is the situation at the present writing. What the ultimate outcome will be remains problematical. It may be a compromise. The maximum rates as fixed in the ordinance, in view of the comparatively small present annual consumption and short-term franchise, would appear to be rather low. There is room for legitimate compromise; but if the duration of the franchise is extended, it should contain a provision for the ultimate acquisition of the plant by the city. As a matter of fact gas and water franchises, if granted at all by the municipality, should, for obvious economic reasons, go together, and the present complication may furnish opportunity to correct past blunders in that regard.

In view of the fact that the Wisconsin legislature, to which the municipality must look for enabling legislation, is now in biennial session, Superior may yet find this her opportunity for the alternative of either the purchase of the private gas and water plants at a fair valuation, or, if it must be, the construction of independent municipal plants.

Wyoming.⁸—*Municipal Ownership.*—Nearly every town in Wyoming has electric lights and water-works. The electric-light plants are owned by private individuals or companies. In some of the mining towns the railroad or mining company has installed a "plant" to provide lights for the shops or mines and then have extended their system to the town. In places where there are no large corporations requiring many lights, companies are organized to install a "plant" to furnish light for the streets, homes and stores of the town.

There is very little sentiment in favor of municipal ownership of electric-light plants. A few years ago a leading paper advocated the buying of the local light system and the running of the same by the cities of the state, but no one took the matter seriously. A list of questions regarding the public ownership of utilities was mailed to the mayor of each incorporated town in the state. A large proportion of them replied. Practically the only "system" owned by the cities or towns of Wyoming is the water-works. And

⁸ Communication of Frank H. Roberts, University of Wyoming, Laramie.

in a number of places the water is furnished by corporations. With one exception, where the town owns the system, it has been installed by the town.

EUROPEAN CITIES.

Berlin.⁹—*Local Self-Government.*—Trouble over the chief magistracy of Berlin has been so common of recent years that it now seems to be regularly expected in connection with every change of high officials. During the greater part of 1898 and 1899, the delay of the King to confirm the election of Herr Kirschner to the position of Oberbürgermeister was the cause of considerable friction between the city government and the royal authorities charged with its supervision.¹⁰ It was sincerely hoped by all who had at heart the welfare of what they were accustomed to consider the best governed city in the world, that such unseemly conflicts might not recur in the future. Early in 1901, however, the struggle between the King and council was renewed, this time over Herr Kauffmann, who had been elected to succeed second Bürgermeister Brinkmann, deceased. The King had contented himself with a passive attitude toward Kirschner until the latter was finally confirmed, but in the case of Kauffmann his course was much more energetic. For reasons which can only be guessed at, the latter's election was disallowed (April 25, 1901), and when the council notwithstanding unanimously re-elected him, the same action was again taken by the King's officials (September 12, 1901). In the midst of the legal controversy that followed, Herr Kauffmann died (October 2, 1901). The city council has now elected to the office of second Bürgermeister, Regierungsrat Dr. Georg Reicke. In America, the thorough legal training, high character and undoubted talent of Reicke would make him a paragon among mayors, but in Berlin the case is decidedly different. It is feared that the man's independence and progressiveness will bring about results in his case as unpleasant as those which followed the election of Herr Kauffmann.

The opinion seems practically unanimous outside of court circles that no abler man could be found for the very important position of second Bürgermeister of Berlin. If nevertheless the royal officials determine to disallow his election, the suspicion that designs are on foot to curtail permanently the privileges of self-government possessed by the capital of the German Empire will certainly grow stronger in the minds of its liberal citizens.

Paris.—*Franchise of Underground Railway.*¹¹—The Paris Metropolitan Railway was incorporated under the act of April 1, 1898. This law gave legal approval to an agreement signed on the twenty-sixth of January of the same year between the Prefect of the Seine, representing the city of Paris on the one hand, and the General Traction Company on the other.

The city of Paris granted to the company the right of constructing and operating the metropolitan railway upon the following conditions:

First. The duration of the franchise to be thirty-five years. On its expiration the right of possession will fall to the city.

⁹ Communication of Robert C. Brooks, Esq., Cornell University.

¹⁰ See communication in *THE ANNALS*, Vol. XIV., p. 94.

¹¹ Communication of André Siegfried, Esq., Paris, France.

Secondly. After a period of seven years from the completion of the system the city will have the right to purchase, on terms provided in the contract.

The city of Paris is responsible for carrying out the underground constructions. All the details of execution must be regulated by the common consent of the company and the representatives of the city. The director and the deputy manager are approved by the city. As for the staff, it must be exclusively composed of Frenchmen, and the fixed or movable stock employed by the company must be of French production, with certain exceptions specially allowed for by the city.

Everything relating to French interests, as well as to the protection of the men employed, has been arranged for in the most detailed manner.

1. The wages or salaries of the workmen and employees must be paid every fortnight, and must not be less than 150 francs a month. The men employed temporarily are to receive a minimum salary of five francs a day.

2. The length of the working day must not exceed ten hours. One day's rest in the week, or two half-days, must be given to the men employed.

3. An annual holiday of ten days shall be accorded without reduction of salary.

4. The whole salary shall be paid during the periods of military service.

5. Days of illness duly certified by a doctor designated for that purpose shall be also paid without diminution for at least a year.

6. The public authority enjoys the right to impose all necessary measures of safety and hygiene.

The company further pledges itself to furnish the men employed with depositors' books for the national pension fund, the deposits being made by a deduction from the salary of 2 per cent on the salary of the workman and 6 per cent deposited in their name by the company. The company pledges itself, moreover, to provide a free dispensary and medical attendance and agrees to insure the workmen and employees against accidents at its own expense.

With a view to enabling the city to meet the interest and liquidation charges of the loans raised for the construction of the subway, the city is to receive five centimes on each second-class ticket of fifteen centimes, and ten centimes on each first-class ticket of twenty-five centimes.

If the total number of passengers of both classes conveyed by the Metropolitan exceeds 140,000,000, the city's share is to be increased according to a scale provided by the agreement, up to the number of 190,000,000 passengers. When this number is reached, there will be no further increase in the city's share.